



## Program Guidelines

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### A. Background:

The Colorado River District's Mission is: **To lead in the protection, conservation, use, and development of the water resources of the Colorado River basin for the welfare of the District, and to safeguard for Colorado all waters of the Colorado River to which the state is entitled.**

On November 3, 2020, the registered electorate of the Colorado River Water Conservation District (the District or CRD) approved Ballot Question 7A. Ballot Question 7A, in its entirety reads:

*Shall Colorado River Water Conservation District, also known as the Colorado River District, taxes be increased by an amount up to \$4,969,041 in 2021 (which increase amounts to approximately \$1.90 in 2021 for every \$100,000 in residential home value), and by such amounts as are generated annually thereafter from an additional property tax levy of 0.248 mills (for a total mill levy of 0.5 mills) to enable the Colorado River District to protect and safeguard Western Colorado water by:*

- *Fighting to keep water on the West Slope;*
- *Protecting adequate water supplies for West Slope farmers and ranchers;*
- *Protecting sustainable drinking water supplies for West Slope communities;*
- *and*
- *Protecting fish, wildlife, and recreation by maintaining river levels and water quality;*

*provided that the District will not utilize these additional funds for the purpose of paying to fallow irrigated agriculture; with such expenditures reported to the public in an annually published independent financial audit; and shall all revenues received by the District in 2021 and each subsequent year be collected, retained and spent notwithstanding any limits provided by law?*

When taking action to place this ballot question on the November 2020 ballot, the CRD Board adopted Resolution 2020-01 which included within it an Implementation Plan. The Implementation Plan articulates the River District's clear intent and commitment as to how the newly authorized funds would be used by the District if the voters approved the ballot question. Specifically, the Board committed to allocating approximately 86% of the funds annually to fund partnerships with water users and communities within the District on projects identified as priorities by local communities and Basin Roundtables.

The Implementation Plan adopted by the Board pledged that the Board and staff of the Colorado River District will prioritize multi-purpose projects that meet needs in one or more of the following five categories:

- productive agriculture,
- infrastructure,
- healthy rivers,
- watershed health and water quality; and
- conservation and efficiency.

The Board indicated that the District is committed to expending funds in an equitable manner which, over time, disperses the benefits of the program geographically within the District boundaries and between the identified categories. The District is also committed to utilizing these funds to drive the initiation and completion of projects that are priorities for residents of the District by utilizing District funds as a catalyst for matching funds from state, federal and private sources. In Resolution 2020-01, the District expressly stated that it will not utilize the funds raised by this ballot question for the purpose of paying to temporarily or permanently fallow irrigated agriculture and the Implementation Plan affirms the River District's commitment to coordinating and consulting local elected officials in all relevant counties prior to committing funds to any specific project or activity pursued by the District.

#### **B. Pre-Application Applicant Activity:**

Applicants are encouraged to review these guidelines, the Community Funding Partnership Framework, the District Application form, and Budget Worksheet prior to applying for and/or consulting with District Staff. After reviewing those documents, Applicants are strongly encouraged to contact the District at [partnerfunding@crwcd.org](mailto:partnerfunding@crwcd.org) to arrange for a staff level pre-application meeting. Applications which are submitted without the pre-application consultation will be strongly disfavored.

#### **C. Project Eligibility:**

A project proponent within the District's 15-county boundaries is eligible to apply for funding. Project proponents include stakeholders such as individuals, local governments, corporations, private entities such as mutual ditch companies, non-profit corporations, and partnerships. Completed projects are not eligible for funding.

#### **D. Project Categories:**

Project Categories that were outlined in the Implementation Plan are as follows:

- I. Productive agriculture projects which could include multiple-use storage that addresses regional priorities; developing innovative and functional water leasing; suitable agriculture efficiency and conservation approaches; technical assistance and technological innovation; and dedicated resources for increasing community literacy about irrigated agriculture and supporting agricultural market growth. The District will not utilize these funds for the purpose of permanently or temporarily fallowing irrigated agriculture;
- II. Infrastructure projects which could include upgrading aging infrastructure while incentivizing new storage and delivery projects that collaboratively address multiple

needs, such as improved flows to meet demands, stream and watershed health, and habitat quality; multi-purpose projects and storage methods that are supported in the Water Plan and the Basin Implementation Plans;

- III. Healthy rivers projects which could include those identified in stream management plans or similar projects, projects that support and sustain fish and wildlife, healthy aquifer conditions as they connect to healthy streams, economically important water-based recreation, wetland habitat, fish passage construction for new or revised water diversion structures, stream restoration projects, and environmental and recreational enhancements for new or revised water supply projects;
- IV. Watershed health and water quality projects which could include projects identified in collaborative and science-based watershed management plans that reduce the risk from and increase resilience to fires and/or floods, rehabilitate streams, or make landscapes resilient to climate change, including, but not limited to science-based mechanical forest treatments and prescribed fire, projects that address drinking water quality for under-resourced communities, and projects that address pollutants such as selenium, salts, and others, as well as mine remediation activities; and
- V. Conservation and efficiency projects which could include supporting agricultural water infrastructure that increases reliability and efficiency; municipal and industrial projects that promote efficiency, water conservation, green infrastructure, and outdoor landscaping to reduce consumptive use; increase leak detection for infrastructure repair and replacement; assisting communities with water-smart community development and water conservation programs; and targeting smaller, fast-growing, and communities with older infrastructure with strategic, incentive-based investments.

### **E. Local Community Support**

The District is committed to coordinating and consulting local elected officials in all relevant counties prior to committing funds to any specific project or activity pursued by the District.

Applicants are required to submit a letter of support for the project from the board(s) of county commissioners in which county the project is located and/or water from the project will be utilized. If a project is proposed to occur within the boundaries of a municipality, it is strongly recommended that applicants provide a letter of support from the governing body of said municipality. Should a letter of support for a project not be available from the appropriate local government(s), applicants must provide a detailed explanation of the reasons.

### **F. Matching Criteria**

The Community Funding Partnership, at this time, has no minimum percentage contribution required by an applicant. However, it is the intent of the District that project funds will not be the sole source of funding for any project. It is the expectation and intent of the District that the applicant will contribute funds and utilize District funds to leverage state, federal or private funds to the project.

### **G. Evaluation Criteria:**

Applicants must submit a completed application and all supporting documentation to be considered for funding.

The following are required elements for staff analysis and recommendation:

- I. Mission Alignment
- II. Category Allocation, Fund Distribution by Category, and Geographic Equity
- III. Analysis of Project Funding and Leverage of CRD Funds
- IV. Local Community Support
- V. Human Resource Requirements
- VI. Risk Analysis
- VII. Additional Factors

Further information can be found in the Community Funding Partnership Framework adopted by the CRD Board of Directors on January 19, 2021 and may be subsequently modified.

#### **H. Timeframe & Process for Internal Application Review:**

This is a rolling program and therefore, applications and requests for funding can be submitted at any time. Applicants should anticipate six to eight weeks for internal application review, analysis and funding recommendation, contingent upon receiving a complete application.

If the funding request requires Board approval (typically applications over \$50,000), complete application and all materials must be submitted no later than six weeks prior to the next regularly scheduled District Board meeting. The River District's regularly scheduled quarterly meetings fall on the third Tuesday of January, April, July, and October. To ensure sufficient time for staff review and analysis, CRD recommends the following deadlines for applications that require Board approval:

- November 15<sup>th</sup> (January Board Meeting)
- February 15<sup>th</sup> (April Board Meeting)
- May 15<sup>th</sup> (July Board Meeting)
- August 15<sup>th</sup> (October Board Meeting)

The General Manager may make exceptions for emergency situations which, in the opinion of the General Manager, warrant such consideration. Neither the staff or Board shall be required to evaluate a request that is not complete or contain all relevant information and documentation. While the District will make every attempt to process funding requests in a timely manner, the District reserves the right to delay consideration of any request if the District has other business which it determines is of higher importance to the mission of the District.

To discuss application deadlines, we encourage applicants to arrange for a pre-application meeting about your proposed application.

#### **I. Community Funding Partnership Approval Authority:**

I. General Manager Delegated Authority. The Board has delegated authority to the General Manager to review, consider, approve and/or deny application for the Community Funding Partnership in amounts up to \$50,000 for any single project. This delegation of authority shall not exceed an aggregate total of \$400,000 in any single calendar year.

II. Board Level Approval. Any request in the amount more than \$50,000 for any single project will be evaluated by the staff and, upon a favorable staff recommendation will be considered and denied and/or approved by the Board. A request for funding of more than \$50,000 for any single project not recommended for funding by the staff will not be considered by the Board.

III. Re-consideration. An applicant whose request is denied by the General Manager, or not recommended to the Board for funding may request re-consideration of their request by the Board pursuant to the process and subject to the time limits contained in section VII. C. of the Colorado River District Community Funding Partnership Framework. The River District has no obligation and an Applicant has no right to receive funding for any request. The River District's determination with respect to the Community Funding Partnership is a purely discretionary policy-making function of the River District and there are no adjudicatory or substantive rights associated with funding requests from the River District's Community Funding Partnership.

**J. Funding Agreement Terms:**

Upon approval of project funding, the CRD will enter into a contractual funding agreement with the project proponent. The contract will include appropriate special conditions, including but not limited to: 1) limitations on the use of Community Funding Partnership funds; 2) proponent's indemnification of the District; 3) proponent's insurance requirements; 4) proponent's repayment requirements for breach of contracts; and 5) a reporting schedule and requirement which may include interim and final progress reporting requirements.

The project proponent and all other interest holders, such as facility owners, shall accept all responsibility and liability associated with the proposed project, including, but not limited to, property interests, water rights, environmental and permit compliance, on-site and off-site project impacts, project construction, project operations, project maintenance and other obligations.

The CRD's minimum requirements for insurance for contractual agreements are as follows:

1. Commercial General Liability:
  - a. Bodily Injury & Property Damage:
    - \$2,000,000 each occurrence
    - \$2,000,000 aggregate
  - b. Personal Injury:
    - \$2,000,000 each occurrence
    - \$2,000,000 aggregate
2. Commercial Automobile Liability:
  - a. Bodily Injury & Property Damage:
    - \$2,000,000 any one accident or loss
3. Workers' Compensation and Employer's Liability:
  - a. Workers' Compensation: Statutory
  - b. Employer's Liability:
    - \$100,000 each accident
    - \$100,000 disease - each employee
    - \$500,000 disease - policy limit

**K. Funding Agreement & Distributions of Funds:**

The CRD's standard distribution of funds is as follows:

- Upon execution of the contract and receipt of required certificates of insurance, the CRD will forward 25% of the Total Award.
- Two progress payments will be made in 25% increments of the Total Award based upon evidence of paid invoices provided by the project proponent.
- The remaining 25% of the funds will be paid upon a determination that the project is substantially complete and the CRD has received a completed "Request for Final Payment" form with all required documentation.

Disbursements of project funding must be completed within three years of the contract date unless there is an extension requested and approved by District staff and/or board action.

The CRD reserves the right to modify the funding disbursement of project funds.

**L. Branding and Signage**

We encourage successful applicants to share the news of your funding award and project with your network, project partners, and community members. Upon award, District staff will coordinate with project proponents on award announcements and communication guidelines. For projects that include public access or public signage, you will be required to recognize the District's funding contribution using logos and signage approved by the District.

**M. Right to Modify Guidelines, Framework and Application:**

The District reserves the right to add, modify or otherwise revise these Guidelines, the Community Funding Partnership Framework, Application, and Budget Worksheet at any time without advance notice. It is the Applicant's obligation to confirm that they have the most up to date program documents.